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TOWN OF BOYCE, LOUISIANA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED MAY 31, 2000
With Comparative Totals for May 31, 1999

Under provisions of state law, this report is a public document and is to be made available to the public. It is to be made available to the public in the form of a printed report at the Baton Rouge office of the Louisiana Department of Transportation and Development, where appropriate, at the office of the parish clerk of court.

Release Date DEC 27 2000

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July 21, 2000

INDEPENDENT AUDITORS' REPORT

The Honorable Julius Patrick, Jr., Mayor
and Members of the Board of Aldermen
Town of Boyce, Louisiana

We have audited the accompanying general purpose financial statements of the Town of Boyce, Louisiana as of May 31, 2000, and for the year then ended. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

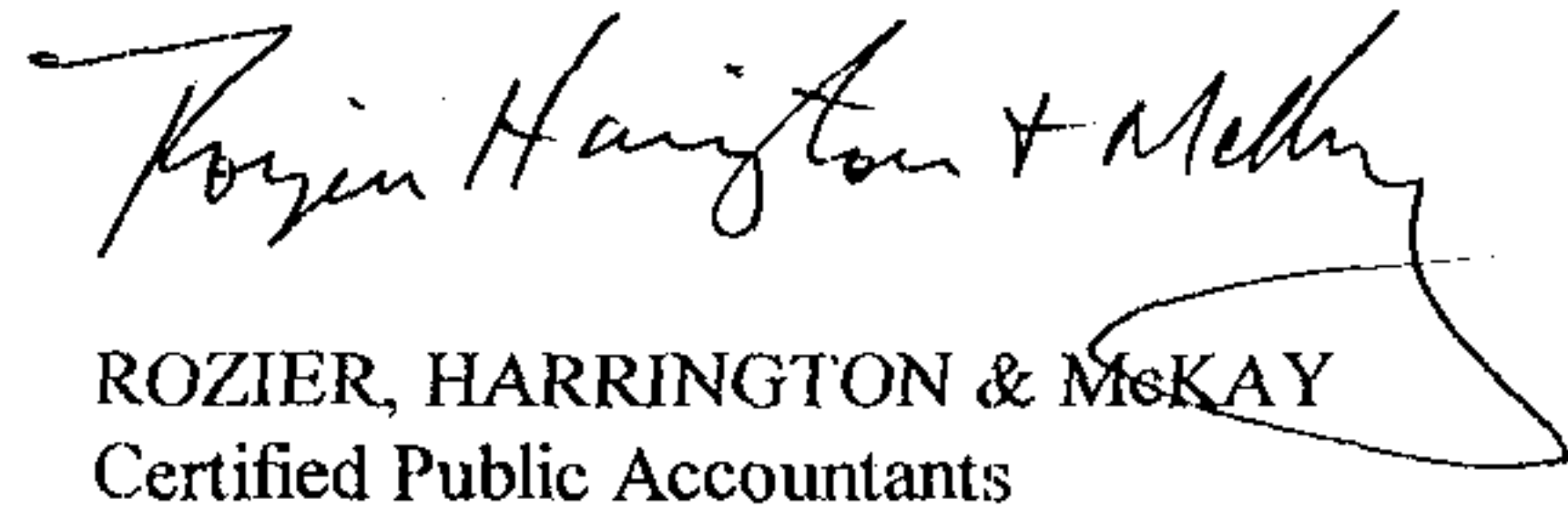
In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Boyce, Louisiana, as of May 31, 2000, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 21, 2000, on our consideration of the Town of Boyce, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Boyce, Louisiana. Such information has been

*The Honorable Julius Patrick, Jr., Mayor
and Members of the Board of Aldermen
Town of Boyce*

subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.


ROZIER, HARRINGTON & McKAY
Certified Public Accountants

TOWN OF BOYCE, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
May 31, 2000
With Comparative Totals for May 31, 1999

	Governmental Funds		Proprietary Funds		Fiduciary Funds	Account Groups		Memorandum Totals	
	General	Capital Projects	Enterprise	Agency	General	Fixed Assets	Long-term Debt	2000	1999
Assets									
Cash and cash equivalents	\$ 136,442	\$ 82	\$ 307,197	\$ 8,628	\$	\$	\$	\$ 452,349	\$ 526,421
Receivables (net of allowance for doubtful accounts)	26,145	-	100,113	-	-	-	-	126,258	134,142
Restricted cash and cash equivalents	-	-	272,035	-	-	-	-	272,035	540,610
Property and equipment (net of accumulated depreciation)	-	-	2,006,756	-	2,394,515	-	-	4,401,271	4,316,564
Amount to be provided for retirement of long-term debt	-	-	-	-	-	-	168,970	168,970	189,497
Total assets	\$ 162,587	\$ 82	\$ 2,686,101	\$ 8,628	\$ 2,394,515	\$ 168,970	\$ 5,707,234	\$ 5,707,234	
Liabilities and Fund Equity									
Liabilities:									
Accounts and other payables	\$ 19,163	\$ -	\$ 53,305	\$ 8,628	\$	\$	\$	\$ 81,096	\$ 63,022
Payable from restricted assets:									
Revenue bonds payable	-	-	4,653	-	-	-	-	4,653	4,420
Construction payables	-	-	-	-	-	-	-	-	101,043
Customer deposits	-	-	89,665	-	-	-	-	89,665	85,436
Revenue bonds payable	-	-	402,858	-	-	-	-	402,858	407,512
Certificates of indebtedness	-	-	345,000	-	-	155,000	-	500,000	555,000
Compensated absences payable	-	-	26,696	-	-	13,970	-	40,666	35,364
Total liabilities	19,163	-	922,177	8,628	-	168,970	1,118,938	1,251,797	
Fund Equity:									
Investment in general fixed assets	-	-	-	-	2,394,515	-	-	2,394,515	2,386,045
Contributed capital	-	-	1,279,840	-	-	-	-	1,279,840	1,279,840
Retained earnings:									
Restricted	-	-	177,717	-	-	-	-	177,717	349,711
Unrestricted	-	-	306,367	-	-	-	-	306,367	236,498
Fund Balance:									
Unreserved	143,424	82	-	-	-	-	-	143,506	203,343
Total fund equity	143,424	82	1,763,924	-	2,394,515	-	4,301,945	4,455,437	
Total liabilities and fund equity	\$ 162,587	\$ 82	\$ 2,686,101	\$ 8,628	\$ 2,394,515	\$ 168,970	\$ 5,707,234	\$ 5,707,234	

The accompanying notes are an integral part of the financial statements.

TOWN OF BOYCE, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
All Governmental Fund Types
For the Year Ended May 31, 2000
With Comparative Totals for the Year Ended May 31, 1999

	General	Capital Projects	Memorandum Totals	
			2000	1999
Revenues:				
Taxes:				
Ad valorem	\$ 10,527	\$ -	\$ 10,527	\$ 9,591
Sales tax	215,656	-	215,656	201,829
Franchise	4,475	-	4,475	4,034
Licenses and permits:				
Occupational licenses	51,609	-	51,609	54,704
Charges for services:				
Garbage	39,186	-	39,186	40,214
Late fees	1,568	-	1,568	979
Intergovernmental:				
Federal grants	-	19,000	19,000	31,456
Tobacco tax	7,080	-	7,080	7,080
Beer tax	3,476	-	3,476	3,836
Fines	3,906	-	3,906	4,679
Miscellaneous:				
Interest	3,499	-	3,499	4,669
Land lease	10,080	-	10,080	10,080
Other	15,224	-	15,224	19,184
Total revenues	366,286	19,000	385,286	392,335
Expenditures:				
General government	124,752	-	124,752	102,148
Public safety	157,902	-	157,902	153,481
Streets and sanitation	93,632	-	93,632	95,950
Recreation	11,178	-	11,178	14,321
Capital projects	-	19,000	19,000	31,474
Debt service	41,221	-	41,221	48,384
Total expenditures	428,685	19,000	447,685	445,758
Excess (deficiency) of revenues over expenditures	(62,399)	-	(62,399)	(53,423)
OTHER FINANCING SOURCES (USES):				
Operating transfers out	(74,375)	-	(74,375)	(100)
Operating transfers in	76,940	-	76,940	76,233
Total other financing sources (uses)	2,565	-	2,565	76,133
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(59,834)	-	(59,834)	22,710
Fund balance - beginning of year	203,258	82	203,340	180,630
Fund balance - end of year	\$ 143,424	\$ 82	\$ 143,506	\$ 203,340

The accompanying notes are an integral part of the financial statements.

TOWN OF BOYCE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
General Fund
For the Year Ended May 31, 2000

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$ 245,200	\$ 230,658	\$ (14,542)
License and permits	46,200	51,609	5,409
Charges for services	40,900	40,754	(146)
Intergovernmental	-	10,556	10,556
Fines	4,700	3,906	(794)
Miscellaneous	17,980	28,803	10,823
Total revenues	<u>354,980</u>	<u>366,286</u>	<u>11,306</u>
<u>Expenditures:</u>			
General government	135,400	124,752	10,648
Public safety	159,800	157,902	1,898
Recreation	-	11,178	(11,178)
Streets and sanitation	96,800	93,632	3,168
Debt service	40,500	41,221	(721)
Total expenditures	<u>432,500</u>	<u>428,685</u>	<u>3,815</u>
Excess (deficiency) of revenues over expenditures	<u>(77,520)</u>	<u>(62,399)</u>	<u>15,121</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers out	-	(74,375)	(74,375)
Operating transfers in	158,740	76,940	(81,800)
Total other financing sources (uses)	<u>158,740</u>	<u>2,565</u>	<u>(156,175)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	81,220	(59,834)	(141,054)
Fund balance - beginning of year	<u>203,258</u>	<u>203,258</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 284,478</u></u>	<u><u>\$ 143,424</u></u>	<u><u>\$ (141,054)</u></u>

The accompanying notes are an integral part of the financial statements.

TOWN OF BOYCE, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN RETAINED EARNINGS
Proprietary Fund Type
For the Year Ended May 31, 2000
With Comparative Totals for the Year Ended May 31, 1999

	Enterprise Funds	
	2000	1999
<u>Operating revenues:</u>		
Charges for services	\$ 892,757	\$ 895,694
Delinquent charges	25,557	27,001
Other operating income	10,546	11,675
Total operating revenues	928,860	934,370
<u>Operating expenses:</u>		
Salaries - operating	141,886	115,099
Salaries - clerical	54,819	48,361
Maintenance supplies	17,424	24,341
Electricity purchased	418,633	408,779
Natural gas purchased	138,124	107,971
Truck expense	13,505	14,253
Water testing	822	411
Repairs	30,812	33,856
Legal and professional	17,939	12,783
Payroll taxes	15,050	12,476
Insurance	42,873	46,906
Depreciation	107,065	99,905
Other	22,841	39,040
Total operating expenses	1,021,793	964,181
Operating income	(92,933)	(29,811)
<u>Non-operating revenues (expenses):</u>		
Interest income	25,452	26,190
Interest expense	(32,079)	(21,204)
Total non-operating revenues	(6,627)	4,986
Income (loss) before operating transfers	(99,560)	(24,825)
Operating transfers in (out)	(2,565)	(76,133)
Net income (loss)	(102,125)	(100,958)
Retained earnings - beginning of year	586,209	687,167
Retained earnings - end of year	\$ 484,084	\$ 586,209

The accompanying notes are an integral part of the financial statements.

TOWN OF BOYCE, LOUISIANA
COMBINED STATEMENT OF CASH FLOWS
Proprietary Fund Type
For the Year Ended May 31, 2000
With Comparative Totals for the Year Ended May 31, 1999

	Enterprise Funds	
	2000	1999
<u>Cash flow from operating activities:</u>		
Operating income (loss)	\$ (92,933)	\$ (29,811)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	107,065	99,905
(Increase) decrease in accounts receivable	(2,385)	5,955
(Increase) decrease in due from other funds	-	3,881
(Decrease) increase in accounts payable	15,624	97,373
(Decrease) increase in customer deposits	4,229	2,377
(Decrease) increase in due to other funds	-	(2,351)
(Decrease) increase in other liabilities	829	10,587
Net cash provided (used) by operating activities	32,429	187,916
<u>Cash flows from non-capital financing activities:</u>		
Operating transfers in (out)	(2,565)	(76,133)
Net cash provided (used) by non-capital financing activities	(2,565)	(76,133)
<u>Cash flows from capital and related financing activities:</u>		
Acquisition of capital assets	(284,345)	(158,888)
Debt proceeds	-	375,000
Debt service - principal	(34,421)	(4,225)
Debt service - interest	(32,079)	(21,204)
Net cash provided (used) by capital and related financing activities	(350,845)	190,683
<u>Cash flows from investing activities:</u>		
Interest income	25,452	26,190
Net cash provided (used) by investing activities	25,452	26,190
Net increase (decrease) in cash	(295,529)	328,656
Beginning cash balance	874,761	546,105
Ending cash balance	\$ 579,232	\$ 874,761
Cash, unrestricted	\$ 307,197	\$ 334,151
Cash, restricted	\$ 272,035	\$ 540,610

Supplemental disclosures of cash flow information:

For the years ended May 31, 2000 and 1999 there were no investing, capital, and financing activities that did not result in cash receipts or payments.

The accompanying notes are an integral part of the financial statements.

TOWN OF BOYCE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
May 31, 2000

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Basis of Presentation

The Town of Boyce (the Town) was incorporated under the provisions of the Lawrason Act and operates under a Mayor-Board of Aldermen form of government. The Town provides various services including public safety (police and fire protection), streets and drainage, sanitation, public improvements, utility (gas, water, electricity and sewerage) and general administrative services.

The accounting and reporting practices of the Town of Boyce, Louisiana, conform to generally accepted accounting principles as applicable to governmental units on a consistent basis between periods.

The following is a summary of the more significant accounting policies.

Financial Reporting Entity

As the municipal governing authority, for reporting purposes the Town of Boyce, Louisiana, is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Town of Boyce, Louisiana, for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the municipality to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.
2. Organizations for which the municipality does not appoint a voting majority but are fiscally dependent on the municipality.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon the above criteria, the Town of Boyce has no component units for the year ended May 31, 2000.

TOWN OF BOYCE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

May 31, 2000

Fund Accounting

The accounts of the Town are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types and account groups are used by the Town:

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Capital Projects Fund - Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

FIDUCIARY FUND

Agency Fund - The Agency Fund accounts for assets held by the Town as an agent for individuals, private organizations, other governments, and/or other funds. This fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The agency fund accounts for disbursement of the Town's payroll and related liabilities.

PROPRIETARY FUND

Enterprise Fund - The Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The enterprise funds of the Town account for operations of a natural gas, electricity, water, and sewerage system.

ACCOUNT GROUPS

General Fixed Assets Account Group - This group of accounts is used to account for fixed assets of the Town other than those accounted for in the Proprietary Funds.

General Long-Term Debt Account Group - This group of accounts is used to account for long-term debt of the Town other than the debt accounted for in the Proprietary Funds.

TOWN OF BOYCE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

May 31, 2000

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds and agency funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of the Town and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on long-term debt, which is recognized when due.

In both governmental and proprietary funds, inventories of supplies are considered immaterial and are not recorded.

The proprietary (enterprise) fund is accounted for using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. Utility revenues are billed on a cycle basis and are recognized in the month billed. Unbilled service receivables resulting from utility services rendered between cycle billing and the end of the month have been recognized in the accompanying financial statements.

The basis of accounting followed by proprietary funds is similar to accounting practices utilized by business enterprises. Due to these similarities, proprietary funds are allowed to follow certain pronouncements that are developed by the Financial Accounting Standards Board (FASB) for business enterprises. However, the Town only applies those FASB pronouncements that were issued on or before November 30, 1989.

Budgets and Budgetary Practices

The Town follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The Town Clerk prepares a proposed budget for the general fund for the upcoming year and submits it to the Mayor and Board of Aldermen no later than fifteen days prior to the beginning of that year. This budget includes proposed expenditures and the means of financing them.
2. A summary of the proposed budget is published, and the public is notified that the proposed budget is available for public inspection. At the same time, the date of a public hearing is published.

TOWN OF BOYCE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

May 31, 2000

3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After holding the public hearing and prior to the commencement of the new year, the budget is legally enacted through passage of an ordinance.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Mayor and Board of Aldermen. Such amendments were not material in relation to the original appropriations.

Cash and Cash Equivalents and Investments

Cash and cash equivalents includes amounts in demand deposits and time deposits with maturities of 90 days or less. Under state law, the Town may deposit funds in demand deposits, money market deposits, or time and savings deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Under state law, the Town may also invest in U.S. bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days. The Town had no investments at May 31, 2000.

Due To/From Other Funds

Amounts in each fund listed as due to/from are offset by corresponding entries in other funds. Funds shown as such are considered available for expenditure unless specifically restricted within the statements. Interfund receivables and payables are not eliminated in the preparation of combined financial statements.

Fixed Assets and Long-Term Liabilities

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and they are recorded as expenditures in the governmental fund types when purchased. The Town has elected to capitalize public domain ("infrastructure") fixed assets consisting of certain improvements including roads, bridges, sidewalks and drainage improvements. No depreciation has been provided on general fixed assets. Fixed assets are valued at historical cost, including interest incurred during construction, unless they were donated in which case they are valued at fair market value at the date of donation. At May 31, 2000 there were no material amounts of donated assets.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

These two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

TOWN OF BOYCE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

May 31, 2000

Fixed assets used in the proprietary fund type operations are included on the balance sheet of the fund at historical cost including any interest incurred during construction. Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Water Utility and Sewerage System

Water Distribution System	25 years
Water Wells	25 years
Water Lines	50 years
Fire Hydrants	50 years
Pump, House and Fence	25 years
Meters	25 years

Lights Utility

Electric Distribution System	25 years
Trucks	4 years
Equipment	8 years
Transformers	25 years

Gas Utility

Distribution System	50 years
Meters	50 years
Building	33 years
Equipment	8 years
Trucks	5 years
Meter Taps/Gas Line Tie-Ins	50 years

Effective June 1, 1992, the Lights and Water Fund was separated into two funds. In conjunction with this separation, the water system assets and their related accumulated depreciation and contributed capital have been transferred to the Water Fund.

Also effective June 1, 1992, the sewerage activities of the Town were separated from the General Fund. Accordingly, there existed some sewer system assets in the General Fixed Assets Account Group at this separation date. Since these assets would be fully depreciated if they had been accounted for in an enterprise fund through June 1, 1992, they have not been transferred to the Sewer Fund. Improvements to the sewer system in the future will be recorded in the Sewer Fund.

Contributed Capital

In the Enterprise Funds, amounts contributed to the Town for acquisition or construction of fixed assets are recorded as contributed capital. Depreciation of these contributed capital assets is computed using the straight-line method over the estimated useful lives of the assets and is charged as a current period expense.

TOWN OF BOYCE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

May 31, 2000

Statement of Cash Flows

The Town has adopted Government Auditing Standards Board Statement No. 9 "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting." This statement requires entities to report a statement of cash flows as part of a full set of financial statements instead of reporting a statement of changes in financial position. For the purposes of reporting cash flows, cash and cash equivalents includes all cash on hand, cash in bank and certificates of deposit.

For the year ended May 31, 2000 there were no material non-cash investing activities or capital and related financing activities.

Compensated Absences

Accumulated unpaid vacation and compensatory pay are accrued when incurred in Proprietary Funds (using the accrual basis of accounting). These amounts relating to the Governmental Funds have been presented in the General Long-Term Debt Group of accounts. At May 31, 2000 compensated absences for all funds and account groups combined totaled \$40,666.

Encumbrance Accounting

Purchase orders, contracts, and other commitments to engage in future expenditures are referred to as encumbrances. Since encumbrances do not represent liabilities or current expenditures, encumbrances are not reported in the accompanying financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Total Columns on Combined Statements - Overview

Total columns on the combined statements are captioned "Memorandum Totals" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

TOWN OF BOYCE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

May 31, 2000

Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative data (i.e., presentation of prior year totals by fund type) have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

Bad Debts

Uncollectible amounts due for ad valorem taxes and customers' utility receivables are recognized as bad debts through the establishment of an allowance account based on historical information which would indicate the uncollectibility of a percentage of the particular receivable.

NOTE 2 - CASH AND CASH EQUIVALENTS

At May 31, 2000 cash and cash equivalents totaled \$724,384 (Book Balance) and \$747,872 (Bank Balance). The composition of these accounts is as follows:

	Book Balance	Bank Balance
Demand Deposits –		
Non-Interest Bearing	\$ 18,346	\$ 28,564
Interest Bearing Checking and Certificates of Deposit	705,888	719,308
Petty Cash	150	---
Total Cash	\$ 724,384	\$ 747,872

Under state law, these deposits must be secured by Federal Deposit Insurance or the pledge of securities owned by the bank. The securities pledged are held in the name of the pledging bank in a holding or custodial bank that is mutually acceptable to both parties. At May 31, 2000 all deposits with financial institutions were fully covered by federal deposit insurance and pledged securities. A detailed analysis of this coverage is as follows:

Total cash at May 31, 2000 (Bank Balance)	\$ 747,872
Less: FDIC coverage	128,564
Subtotal	619,308
Less: Securities pledged to Town but held in the name of the bank - (uncollateralized – GASB Category 3)	1,018,188
Excess of FDIC insurance and pledged securities	\$ 398,880

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Town that the pledging bank has failed to pay deposited funds upon demand.

TOWN OF BOYCE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

May 31, 2000

NOTE 3 - REVENUE RECOGNITION - AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

For the year ended May 31, 2000, taxes of 5.85 mills totaling \$10,301 were levied on property and were dedicated to general corporate purposes. There were no material amounts of taxes receivable at May 31, 2000.

NOTE 4 - RECEIVABLES

The receivables at May 31, 2000 are as follows:

	General	Enterprise	Total
Charges for services	\$ 7,915	\$ 106,012	\$ 113,927
Other	18,594	---	18,594
Less: allowance for uncollectibles	(364)	(5,899)	(6,263)
Totals	\$ 26,145	\$ 100,113	\$ 126,258

NOTE 5 - GENERAL FIXED ASSETS

A summary of changes in general fixed assets, at cost, follows:

	Balance May 31, 1999	Additions	Deletions	Balance May 31, 2000
Land	\$ 170,007	\$ ----	\$ ----	\$ 170,007
Buildings	555,786	----	----	555,786
Improvements	1,263,352	----	----	1,263,352
Equipment	197,096	8,470	----	205,566
Vehicles	199,804	----	----	199,804
	\$ 2,386,045	\$ 8,470	\$ ----	\$ 2,394,515

NOTE 6 - PROPERTY AND EQUIPMENT

A summary of the property and equipment in the Enterprise Funds at May 31, 2000 consists of the following:

	Gas	Lights	Water	Sewer	Combining Total
Land	\$ 3,127	\$ ----	\$ 9,210	\$ ----	\$ 12,337
Building	3,193	10,667	----	----	13,860
Distribution System	311,414	544,541	1,305,364	572,005	2,733,324

TOWN OF BOYCE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
May 31, 2000

Equipment	48,805	38,424	23,179	4,075	114,483
Vehicles	9,508	74,886	----	----	84,394
Water Wells	----	----	220,131	----	220,131
Subtotal	376,047	668,518	1,557,884	576,080	3,178,529
Less: Accumulated Depreciation	251,195	265,336	574,497	80,745	1,171,773
Net Property and Equipment	\$ 124,852	\$ 403,182	\$ 983,387	\$ 495,335	\$2,006,756

Depreciation expense for the year totaled \$107,065 with \$9,594 relating to the Natural Gas System Fund, \$20,938 relating to the Lights Fund, and \$53,187 relating to the Water Fund and \$23,346 relating to the Sewer Fund.

NOTE 7 - LONG-TERM DEBT

The Town's long-term debt is summarized as follows:

	Proprietary Fund	General Long-Term Debt	Total
Revenue bonds payable	\$ 407,511	\$ ----	\$ 407,511
Certificates of indebtedness	345,000	155,000	500,000
Compensated absences	26,696	13,970	40,666
Total	\$ 779,207	\$ 168,970	\$ 948,177

The following changes occurred in liabilities reported in the General Long-Term Debt Account Group during the year ended May 31, 2000:

	Payable At May 31, 1999	Additions	Deletions	Payable At May 31, 1999
Certificates of Indebtedness	\$ 180,000	\$ ----	\$ 25,000	\$ 155,000
Compensated Absences	9,497	4,473	----	13,970
Total	\$ 189,497	\$ 4,473	\$ 25,000	\$ 168,970

Certificates of Indebtedness:

The Town has issued certificates which are secured by and payable from a pledge of the excess of annual revenues above statutory, necessary and usual charges incurred by the Town. Certificates of indebtedness outstanding at May 31, 2000 are described as follows:

\$265,000 Certificates of Indebtedness, Series 1994 dated November 8, 1994, bearing interest at a rate of 6.5%. Principle is payable in annual installments ranging from \$20,000 to \$35,000, with the final installment due November 1, 2004. \$ 155,000

\$375,000 Certificates of Indebtedness, Series 1998 dated December 2, 1998, bearing interest at a rate of 5.00%. Principle is payable in annual installments ranging from \$30,000 to \$50,000, with the final installment due November 1, 2008. 345,000

TOWN OF BOYCE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
May 31, 2000

Total Certificates of Indebtedness \$ 500,000

Revenue Bonds

The Town has issued revenue bonds that are secured by and payable solely from a pledge of funds generated by a specific revenue source. Revenue bonds outstanding at May 31, 2000 are described as follows:

\$428,100 Utilities Revenue Bonds Series 1994, dated March 14, 1995, with an effective rate of interest of 5.125% to maturity. The bonds mature serially on the 14th of each month in amounts ranging from \$291 to \$2,253. Final maturity is scheduled for March 14, 2034, unless the Town elects to redeem the bonds prior to maturity. \$ 407,511

Total Revenue Bonds \$ 407,511

Maturity of Long-Term Debt

A schedule of maturities of long-term debt is presented as follows:

<u>Year Ended May 31st</u>	<u>Proprietary Fund Obligations</u>	<u>General Long-term Debt</u>	<u>Total</u>
2001	\$ 34,653	\$ 25,000	\$ 59,653
2002	34,897	30,000	64,897
2003	40,154	30,000	70,154
2004	40,424	35,000	75,424
2005	45,709	35,000	80,709
Thereafter	<u>556,674</u>	<u>-----</u>	<u>556,674</u>
Total	<u>\$ 752,511</u>	<u>\$ 155,000</u>	<u>\$ 907,511</u>

Interest Costs Incurred

The Town financed improvements to its utility systems through the issuance of certificates of indebtedness from a local bank and revenue bonds. Interest costs incurred during the year totaled \$39,008. Of this amount, \$6,929 has been capitalized and \$32,079 was expensed during the current year.

TOWN OF BOYCE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

May 31, 2000

NOTE 8 - GAS CONTRACT

The Town has a long-term contract for the purchase of natural gas. The contract is with Union Gas company and renews each year. There are no minimum payments required under the contract except for amounts of actual delivery, with the rates being adjusted periodically.

NOTE 9 - ELECTRICITY CONTRACT

The Town has a contract with Central Louisiana Electric Company for the purchase of electricity. The contract automatically renews each year. There are no minimum payments required under the contract except amounts for actual delivery, and the rates are adjusted periodically.

NOTE 10 - RISK MANAGEMENT

Town of Boyce is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks of loss are covered by a comprehensive commercial insurance policy and participation in a public entity risk pool that operates as a common insurance program. Claims resulting from these risks have historically not exceeded insurance coverage.

NOTE 11 - BOARD MEMBER SALARIES

For the year ended May 31, 2000, the amounts of salaries and wages paid to the Mayor and Board of Aldermen were as follows:

Name	Position	Salary
Julius Patrick, Jr.	Mayor	\$ 6,000
Thomas Batts	Alderman	3,900
Haywood Joiner	Alderman	3,900
Donald Welch	Alderman	3,900
Kelvin McCoy	Alderman	3,900
Willie Mae Young	Alderman	3,900
Total		\$ 25,500

NOTE 12 – CONTRIBUTED CAPITAL

The following is a summary of changes in contributed capital:

TOWN OF BOYCE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

May 31, 2000

	Natural Gas System	Lights	Water	Sewer	Total
Balance at May 31, 1999	\$ ----	\$ 77,855	\$ 763,519	\$ 438,466	\$ 1,279,840
Additions	----	----	----	----	----
Balance at May 31, 2000	\$ ----	\$ 77,855	\$ 763,519	\$ 438,466	\$ 1,279,840

NOTE 13 -- RESERVED FUND BALANCES AND RETAINED EARNINGS

Reserves

Reserves represent those portions of governmental fund equity that are not subject to appropriation for expenditure or have been legally segregated for a specific future use. At May 31, 2000, there were no governmental fund balances restricted or segregated for any specific uses.

Restrictions on Retained Earnings

The Town has entered into revenue bond agreements that require funds to be held in restricted bank accounts. Funds on deposit in the restricted bank accounts can only be used under certain circumstances specified by the bond indenture.

The Town has also deposited money into accounts that are designated for refunding customer deposits.

The Town has obtained funding for improvements to its electrical distribution system in the form of borrowings from a local bank. The proceeds of this borrowing are restricted to improvements to the electrical system in accordance with the debt agreement.

Restricted assets and liabilities payable from these assets are summarized as follows:

	Bond <u>Indenture</u>	Meter <u>Deposits</u>	<u>Construction</u>	<u>Total</u>
Restricted assets	\$108,498	\$ 123,337	\$ 40,200	\$ 272,035
Liabilities payable from restricted assets	(4,653)	(89,665)	----	(94,318)
Restricted equity	\$103,845	\$ 33,672	\$ 40,200	\$ 177,717

NOTE 14 -- DEFICIT FUND BALANCES

The Town has a deficit in unreserved retained earnings in its water fund of \$180,014. Management anticipates eliminating this deficit either through operations or by operating transfers from other funds.

TOWN OF BOYCE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

May 31, 2000

NOTE 15: FEDERAL FINANCIAL ASSISTANCE

The Town was awarded funding for housing rehabilitation and development in the form of a Community Development Block Grant in 1998. Expenditures related to the project as of May 31, 2000 are summarized as follows:

	Cash Disbursed	Accounts Payable	Total
Administration	\$ 5,250	\$ ----	\$ 5,250
Construction	13,750	----	13,750
Total	\$ 19,000	\$ ----	\$ 19,000

NOTE 16: BUDGET VARIANCES

General Fund:

The actual receipts plus projected revenue collections in the general fund failed to meet budgeted revenues by more than the variances allowed by law. Actual expenditures plus projected expenditures in the general fund exceeded budgeted expenditures by more than the variances allowed by state law.

	Budget	Actual	Unfavorable Variance
Revenues and other sources	\$ 513,720	\$ 443,226	\$ 70,494
Expenditures and other uses	432,500	503,060	70,560
Net	\$ 81,220	\$ (59,834)	\$ 141,054

TOWN OF BOYCE, LOUISIANA
SUPPLEMENTAL DATA
FOR THE YEAR ENDED MAY 31, 2000

TOWN OF BOYCE, LOUISIANA
GENERAL FUND
Schedule of Expenditures - Budget (GAAP Basis) and Actual
For the Year Ended May 31, 2000
With Comparative Totals for the Year Ended May 31, 1999

	2000			1999
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
<u>General government:</u>				
Salary - mayor	\$ 6,000	\$ 6,000	\$ -	\$ 5,200
Salaries - aldermen	19,500	19,500	-	15,500
Salaries - office	4,900	4,874	26	4,397
Payroll Taxes	2,900	2,807	93	2,445
Telephone	8,100	9,032	(932)	8,948
Office Supplies	3,600	5,532	(1,932)	6,687
Advertising and printing	1,800	2,341	(541)	1,437
Dues	900	1,156	(256)	1,363
Accounting	6,200	5,152	1,048	3,250
Legal	2,500	2,238	262	1,740
Insurance	22,800	21,141	1,659	13,548
Miscellaneous	7,100	25,466	(18,366)	18,897
Travel and conventions	10,700	11,773	(1,073)	10,988
Capital outlay	38,400	7,740	30,660	7,748
Total general government	135,400	124,752	10,648	102,148
<u>Public safety:</u>				
Police				
Salaries	105,200	101,202	3,998	99,372
Payroll taxes	9,000	8,688	312	8,531
Patrol car expenditures	13,400	15,750	(2,350)	14,354
Uniforms and training	2,400	1,844	556	1,341
Supplies and equipment	2,000	4,040	(2,040)	2,296
Telephone	7,600	7,366	234	6,990
Capital outlay	5,700	-	5,700	-
Miscellaneous	3,900	11,665	(7,765)	3,210
Fire protection:				
Truck gas, oil and maintenance	1,700	1,397	303	5,646
Telephone	800	745	55	665
Supplies & other	5,000	3,203	1,797	9,073
Insurance	2,100	2,002	98	2,003
Capital outlay	1,000	-	1,000	-
Total public safety	159,800	157,902	1,898	153,481
<u>Streets and sanitation:</u>				
Salaries	29,300	28,882	418	28,959
Payroll taxes	2,300	2,204	96	2,199
Truck and tractor maintenance	7,700	8,781	(1,081)	6,895
Street maintenance	5,400	10,423	(5,023)	10,690
Garbage collection	35,700	37,893	(2,193)	39,155
Supplies	7,100	3,682	3,418	7,127
Utilities	1,200	1,037	163	225
Capital outlay	8,100	730	7,370	700
Total streets and sanitation	96,800	93,632	3,168	95,950
<u>Recreation:</u>				
Little League	-	-	-	85
Other recreational expenses	-	11,178	(11,178)	14,236
Total recreation	-	11,178	(11,178)	14,321
Debt service	40,500	41,221	(721)	48,384
Total expenditures	\$ 432,500	\$ 428,685	\$ 3,815	\$ 414,284

ENTERPRISE FUNDS

Natural Gas Fund - To account for the natural gas services provided to the residents of the Town and certain adjacent areas. All activities necessary to provide such services are accounted for in this fund, including, but not limited to: administration, operations, maintenance, billing and collection.

Lights Fund - To account for electricity services provided to the residents of the Town and certain adjacent areas. All activities necessary to provide such services are accounted for in this fund, including, but not limited to: administration, operations, maintenance, billing and collection.

Water Fund - To account for water services provided to the residents of the Town and certain adjacent areas. All activities necessary to provide such services are accounted for in this fund, including, but not limited to: administration, operations, maintenance, billing and collection.

Sewer Fund - To account for sewerage services provided to the residents of the Town and certain adjacent areas. All activities necessary to provide such services are accounted for in this fund, including, but not limited to: administration, operations, maintenance, billing and collection.

TOWN OF BOYCE, LOUISIANA
ENTERPRISE FUNDS
Combining Balance Sheet
May 31, 2000
With Comparative Totals for May 31, 1999

<u>Assets</u>	Lights	Natural Gas System	Water	Sewer	<u>Memorandum Totals</u>	
					2000	1999
<u>Current assets:</u>						
Cash and cash equivalents	\$ 152,138	\$ 154,174	\$ 709	\$ 176	\$ 307,197	\$ 334,151
Receivables, net of allowance for doubtful accounts	70,339	13,388	11,492	4,894	100,113	97,728
Total current assets	222,477	167,562	12,201	5,070	407,310	431,879
<u>Restricted assets:</u>						
Cash and cash equivalents						
Meter deposits & other restricted cash	107,812	55,725	-	14,054	177,591	444,818
Bond reserves	-	30,975	15,469	48,000	94,444	95,792
Total restricted assets	107,812	86,700	15,469	62,054	272,035	540,610
<u>Property and equipment:</u>						
Fixed assets net of acc. depreciation	403,182	124,851	983,387	495,336	2,006,756	1,930,519
Total assets	\$ 733,471	\$ 379,113	\$ 1,011,057	\$ 562,460	\$ 2,686,101	\$ 2,903,008
<u>Liabilities and fund equity</u>						
<u>Current liabilities:</u>						
Accounts payable	\$ 36,994	\$ 7,744	\$ 3,350	\$ 5,217	\$ 53,305	\$ 37,681
Compensated absences payable	6,964	6,964	5,875	6,893	26,696	25,867
Total current liabilities	43,958	14,708	9,225	12,110	80,001	63,548
<u>Liabilities payable from restricted assets:</u>						
Revenue bonds payable	-	-	4,653	-	4,653	4,421
Accounts payable - construction	-	-	-	-	-	101,043
Customer meter deposits	51,922	37,743	-	-	89,665	85,436
<u>Other liabilities:</u>						
Revenue bonds payable	-	-	402,858	-	402,858	407,511
Certificates of indebtedness	345,000	-	-	-	345,000	375,000
Total liabilities	440,880	52,451	416,736	12,110	922,177	1,036,959
<u>Fund equity:</u>						
Contributed Capital	77,855	-	763,519	438,466	1,279,840	1,279,840
Retained earnings:						
Unreserved	158,846	277,705	(180,014)	49,830	306,367	236,498
Reserved	55,890	48,957	10,816	62,054	177,717	349,711
Total fund equity	292,591	326,662	594,321	550,350	1,763,924	1,866,049
Total liabilities and fund equity	\$ 733,471	\$ 379,113	\$ 1,011,057	\$ 562,460	\$ 2,686,101	\$ 2,903,008

TOWN OF BOYCE, LOUISIANA
ENTERPRISE FUNDS
Combining Statement of Revenues, Expenditures, and Changes in Retained Earnings
For the Year Ended May 31, 2000
With Comparative Totals for May 31, 1999

	Lights	Natural Gas System	Water	Sewer	Memorandum Total	
					2000	1999
Operating revenues:						
Charges for services	\$ 549,934	\$ 216,937	\$ 87,556	\$ 38,330	\$ 892,757	\$ 895,694
Delinquent charges	14,443	6,614	3,750	750	25,557	27,001
Other operating revenues	2,452	3,299	4,495	300	10,546	11,675
Total operating revenues	566,829	226,850	95,801	39,380	928,860	934,370
Operating expenses:						
Salaries - operating	38,312	37,479	27,440	38,655	141,886	115,099
Salaries - clerical	13,872	13,662	13,580	13,705	54,819	48,361
Maintenance supplies	356	5,634	4,505	6,929	17,424	24,341
Electricity purchased	407,795	153	9,516	1,169	418,633	408,779
Natural gas purchased	-	138,124	-	-	138,124	107,971
Truck expense	7,551	5,954	-	-	13,505	14,253
Water testing	-	-	822	-	822	411
Repairs	11,361	6,565	6,216	6,670	30,812	33,856
Legal and professional	6,302	6,802	2,451	2,384	17,939	12,783
Payroll taxes	3,992	3,912	3,140	4,006	15,050	12,476
Insurance	10,837	10,681	10,674	10,681	42,873	46,906
Depreciation	20,938	9,594	53,187	23,346	107,065	99,905
Other	9,848	8,415	2,363	2,215	22,841	39,040
Total operating expenses	531,164	246,975	133,894	109,760	1,021,793	964,181
Operating income (loss)	35,665	(20,125)	(38,093)	(70,380)	(92,933)	(29,811)
Non-operating revenues (expenses):						
Interest income	13,629	8,852	331	2,640	25,452	26,190
Interest expense	(11,071)	-	(21,008)	-	(32,079)	(21,204)
Total non-operating revenues	2,558	8,852	(20,677)	2,640	(6,627)	4,986
Income (loss) before operating transfers	38,223	(11,273)	(58,770)	(67,740)	(99,560)	(24,825)
Operating transfers in (out):						
Operating transfers out	(56,200)	(54,100)	-	-	(110,300)	(132,533)
Operating transfers in	13,900	41,975	10,600	41,260	107,735	56,400
Total transfers in (out)	(42,300)	(12,125)	10,600	41,260	(2,565)	(76,133)
Net income (loss)	(4,077)	(23,398)	(48,170)	(26,480)	(102,125)	(100,958)
Retained earnings, beginning of year	350,060	218,813	(121,028)	138,364	586,209	687,167
Retained earnings, end of year	\$ 345,983	\$ 195,415	\$ (169,198)	\$ 111,884	\$ 484,084	\$ 586,209

ROZIER, HARRINGTON & McKAY

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July 21, 2000

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Julius Patrick, Jr., Mayor
And the Board of Alderman
Town of Boyce, Louisiana

We have audited the financial statements of the Town of Boyce, Louisiana, as of and for the year ended May 31, 2000, and have issued our report thereon dated July 21, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Town of Boyce, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is material to the financial statements and is required to be reported under *Government Auditing Standards*. This finding has been reported in the Schedule of Findings and Questioned Costs as Finding No. 2000-01.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Boyce, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control

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The Honorable Julius Patrick, Jr., Mayor

And The Board of Alderman

July 21, 2000

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components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



ROZIER, HARRINGTON & MCKAY
CERTIFIED PUBLIC ACCOUNTANTS

TOWN OF BOYCE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended May 31, 2000

PART I – SUMMARY OF AUDITORS' RESULTS:

- The Independent Auditors' Report on the general purpose financial statements for the Town of Boyce, Louisiana as of May 31, 2000 and for the year then ended expressed an unqualified opinion.
- No reportable conditions were noted in the audit.
- The results of the audit disclosed one instance of noncompliance that is considered to be material to the financial statements of the Town of Boyce.
- The Town was not required to have a Single Audit; therefore, none of the reporting required by OMB Circular A-133 was required.

PART II – FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:

Finding No. 2000-01, Budget Variances – General Fund

The Town adopted an amended budget for its general fund in accordance with state law; however, actual receipts plus projected revenue collections failed to meet budgeted revenues by more than the variance allowable by state law. In addition, actual expenditures plus projected expenditures exceeded budgeted expenditures by more than the variance allowed by state law.

PART III – FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS WHICH SHALL INCLUDE AUDIT FINDINGS AS DEFINED BY OMB CIRCULAR A-133:

- Not applicable.

TOWN OF BOYCE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended May 31, 2000

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
Finding - There were no findings in connection with internal control and compliance material to the financial statements in the prior year.	Response – N/A.
SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
Finding - There were no findings in connection with internal control and compliance material to federal awards in the prior year.	Response - N/A.
SECTION III - MANAGEMENT LETTER	
Finding - There was no management letter issued with the prior year report.	Response - N/A.

TOWN OF BOYCE, LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended May 31, 2000

**SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL
TO THE FINANCIAL STATEMENTS**

**Finding No. 2000-01, Budget Variances
General Fund**

Actual receipts plus projected revenue collections in the general fund failed to meet budgeted revenues by more than the variances allowed by state law. In addition, actual expenditures plus projected expenditures in the general fund exceeded the variances allowed by state law.

Response – Management will carefully monitor revenues and expenditures in future periods and make any necessary amendments in order to keep variances within the limits allowed by state law.

**SECTION II – INTERNAL CONTROL AND COMPLIANCE MATERIAL
TO FEDERAL AWARDS**

Finding - There were no findings in connection with internal control and compliance material to federal awards.

Response - N/A.

SECTION III - MANAGEMENT LETTER

Finding - There was no management letter issued with this report.

Response - N/A.